

AMENDED IN ASSEMBLY APRIL 16, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 184

Introduced by Assembly Member Liu
(Coauthors: Assembly Members Chavez and Wyman
(Coauthors: Senators Costa and Kuehl)

February 7, 2001

An act to amend Section 74.5 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 184, as amended, Liu. Seismic improvements.

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, “full cash value” is defined as the assessor’s valuation of real property as shown on the 1975–76 tax bill under “full cash value” or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. The California Constitution authorizes the Legislature to exclude from “new construction” requiring reappraisal the construction or installation in existing buildings of certain seismic retrofitting improvements or improvements utilizing earthquake hazard mitigation technologies.

This bill would revise the definitions of “seismic retrofitting improvements” and “improvements utilizing earthquake hazard mitigation technologies.”

Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property

tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 74.5 of the Revenue and Taxation Code
2 is amended to read:

3 74.5. (a) For purposes of paragraph (4) of subdivision (c) of
4 Section 2 of Article XIII A of the California Constitution, “newly
5 constructed” and “new construction” does not include seismic
6 retrofitting improvements and improvements utilizing earthquake
7 hazard mitigation technologies, to an existing building or
8 structure.

9 (b) For purposes of this section:

10 (1) “Seismic retrofitting improvements” means retrofitting or
11 reconstruction of an existing building or structure, to abate falling
12 hazards from structural or nonstructural components of any
13 building or structure including, but not limited to, parapets,
14 appendages, cornices, hanging objects, and building cladding that
15 pose serious danger. “Seismic retrofitting improvements” also
16 means either structural strengthening or providing the means
17 necessary to resist seismic force levels that would otherwise be
18 experienced by an existing building or structure during an
19 earthquake, so as to significantly reduce hazards to life and safety
20 while also providing for the substantially safe ingress and egress
21 of building occupants during and immediately after an earthquake.
22 “Seismic retrofitting improvements” does not include alterations,
23 such as new plumbing, electrical, or other added finishing
24 materials, made in addition to seismic-related work performed on
25 an existing structure. “Seismic retrofitting” includes, but is not
26 limited to, those items referenced in Appendix Chapters 5 and 6
27 of the Uniform Code for Building Conservation of the
28 International Conference of Building Officials.



(2) “Improvements utilizing earthquake hazard mitigation technologies” means improvements to existing buildings identified by a local government as being hazardous to life in the event of an earthquake ~~that~~. *These improvements shall involve* involve strategies for earthquake protection of structures. These improvements shall use technologies such as those referenced in Part 2 (commencing with Section 101) of Title 24 of the California Building Code and similar seismic provisions in the Uniform Building Code.

(c) The property owner, primary contractor, civil or structural engineer, or architect shall certify to the building department those portions of the project that are seismic retrofitting improvements or improvements utilizing earthquake hazard mitigation technologies. Upon completion of the project, the building department shall report the value of those portions of the project that are seismic retrofitting improvements and improvements utilizing earthquake hazard mitigation technologies to the county assessor.

(d) In order to receive the exclusion, the property owner shall notify the assessor prior to, or within 30 days of, completion of the project that he or she intends to claim the exclusion for seismic retrofitting improvements or improvements utilizing earthquake hazard mitigation technologies. The State Board of Equalization shall prescribe the manner and form for claiming the exclusion. All documents necessary to support the exclusion shall be filed by the property owner with the assessor on or before the following April 15.

(e) The exclusion from “newly constructed” and “new construction” under this section is not applicable to seismic safety reconstruction and improvements that qualify for the exclusion provided in subdivision (d) of Section 70.

(f) This section shall only apply to projects completed on or after January 1, 1991.

SEC. 2. Notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any local agency for any property tax revenues lost by it pursuant to this act.

1 SEC. 3. This act provides for a tax levy within the meaning of
2 Article IV of the Constitution and shall go into immediate effect.

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